



University of California

Examination of Compensation  
and Other Employment  
Arrangements

April 24, 2006

PRICEWATERHOUSECOOPERS 

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## Scope

- 10 year period beginning 1/1/96 and ending 12/31/05
- Definition of compensation is consistent with 1993 “Principles for Review of Executive Compensation”
- Selected individuals generally include current incumbents and past holders of the top 32 senior manager positions plus one Vice Chancellor (Celeste Rose)
  - 64 individuals included in the report
  - One employee with less than six months service in an acting capacity was excluded (David Warren)
  - Personnel files were not available for three employees (Chang-Lin Tien, Marjorie Caserio and DeWitt Bowman)

# Procedures Performed

- Reviewed source data from campus payroll systems
- Reviewed source documentation, including:
  - Records contained in personnel files
  - Campus payroll records
  - W-2's
  - Other records
  - Minutes of open and closed sessions of The Regents
- Reviewed employee certifications
- Conducted interviews
- Reviewed Annual Reports on Compensation
- Evaluated adherence to University policies and standard practices

# Report of Independent Accountants

- Examination of schedules prepared by management of the University
- Components
  - Schedule of Employee Compensation
  - Schedule of Other Employment Arrangements
  - Notes to the Schedules

# Findings and Observations

- Certain benefits promised or paid to Selected Employees were not approved by The Regents as required by Regental policies
- Certain benefits promised or paid to Selected Employees were exceptions to University policies or standard practices and were not approved by The Regents
- Certain of the compensation items described above were not disclosed to the public as required by Regental policies

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